

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

MAR 12 2009

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires. March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

PRONGHORN MANAGEMENT CORPORATION

3. Address and Telephone No.

P. O. BOX 1772 HOBBS, NM 88241 575-392-2495

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENE 30 20S 24E

5. Lease Designation and Serial No

NMNM30062

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

LONG BOX #1

9. API Well No.

30-015-22624

10. Field and Pool, or Exploratory Area

Tres Atoka

11. County or Parish, State

EDDY, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☐ Other T.A.

- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note. Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Well is capable of production in paying quantities. Request Temporary Abandonment status.

**DENIED**

/s/ JD Whitlock Jr

TA Denied do the following reasons. 1. NMOCD Case No 13859 orders Pronghorn Management to plug and abandon all wells by Dec. 31, 2008. 2. Notice of Incidents of Non-compliance 09-DW-005 tells operator to submit a Notice of Intent to Plug well. This was not done so an assessment with 2nd INC was issued 3/2/09 # 09-DW-005A giving operator till 3/23/09 to submit P&A Notice of Intent for approval.

*COPIES ATTACHED*

14. I hereby certify that the foregoing is true and correct

Signed

Title

President

Date

3-5-09

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

**DENIED**

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

CASE NO. 13859 (De Novo)

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST PRONGHORN MANAGEMENT CORPORATION, 1) FINDING THAT THE OPERATOR KNOWINGLY AND WILLFULLY VIOLATED NMSA 1978, SECTION 70-2-31(B)(2), 19.15.13.1115.A NMAC, AND 19.15.4.201 NMAC AS TO ELEVEN WELLS; 2) ASSESSING PENALTIES FOR THE VIOLATIONS; 3) REQUIRING OPERATOR TO FILE CORRECTED PRODUCTION REPORTS BY A DATE CERTAIN; 4) REQUIRING OPERATOR TO BRING THE ELEVEN WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC BY A DATE CERTAIN AND AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE; AND REQUIRING OPERATOR TO PROVIDE CONTACT INFORMATION FOR PRIVATE LESSORS AFFECTED BY THE VIOLATIONS; LEA COUNTY, NEW MEXICO.

CASE NO. 14052 (De Novo)

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST PRONGHORN MANAGEMENT CORPORATION PURSUANT TO NMSA 1978, SECTION 70-2-14(B) ORDERING PRONGHORN MANAGEMENT CORPORATION TO PLUG AND ABANDON ALL WELLS IT OPERATES IN NEW MEXICO BY A DATE CERTAIN AND AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE; LEA AND EDDY COUNTIES, NEW MEXICO.

Order No. R-12768-D

ORDER OF THE COMMISSION

(1) Case Nos. 13859 and 14052 were heard by an examiner on January 10, 2008, and Order No. R-12768-C was entered in these two cases on June 23, 2008, requiring Pronghorn Management Corporation (Pronghorn) to plug and abandon all of its wells by December 31, 2008, and authorizing the Division to plug and abandon all Pronghorn-operated wells and forfeit any applicable financial assurance should Pronghorn not comply.

(2) On July 2, 2008, Pronghorn, through its counsel, filed a timely application for de novo hearing of Case Nos. 13859 and 14052, and the de novo application was set for hearing on November 6, 2008.

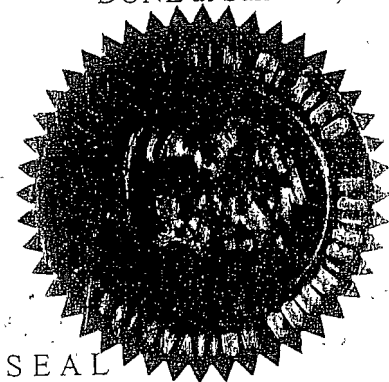
(3) On November 4, 2008, Pronghorn, through its counsel, withdrew its request for a de novo hearing in the subject cases.

(4) De Novo Case Nos. 13859 and 14052 should be dismissed.

IT IS THEREFORE ORDERED THAT:

De Novo Case Nos. 13859 and 14052 are hereby dismissed, and Order No. R-12768-C is hereby continued in full force and effect until further notice.

DONE at Santa Fe, New Mexico, on this 5<sup>th</sup> day of November, 2008.



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

A handwritten signature in dark ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, Chairman

Bureau of Land Management  
ENCLOSURE

NOV 14 2008

Carroll Land Office  
SANTA FE, NM

## OFFICIAL FILE COPY

Number 09-DW-005A

Page 1 of 2

<input checked="" type="checkbox"/> Certified Mail - Return Receipt Requested 70051160000033022675
<input type="checkbox"/> Hand Delivered-Received by:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification
IID
Lease NMNM30062
CA
Unit
PA

Bureau of Land Management Office CARLSBAD FIELD OFFICE				Operator PRONGHORN MANAGEMENT CORP			
Address 620 E GREENE STREET CARLSBAD NM 88220				Address P O BOX 1772 HOBBS NM 88241			
Telephone 575-234-5926				Attention			
Inspector WHITLOCK				Attn Addr			
Site Name LONG BOX	Well or Facility 1	1/4 1/4 Section SENE 30	Township 20S	Range 24E	Meridian NMP	County EDDY	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

## THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
03/02/2009	08:00	43CFR3162.1(a)/43CFR3163.1(a)(2)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
03/23/2009		\$250.00	43 CFR 3163.1(a)(2)

## Remarks

FAILURE TO COMPLY WITH NOTICE OF INCIDENTS OF NONCOMPLIANCE 09-DW-005. COMPLY WITH NOTICE AND PAY ASSESSMENT. SEE ATTACHED COPY OF NOTICE WITH THE FOLLOWING TEXT.

A RECENT FIELD INSPECTION OF THE ABOVE REFERENCED WELL AND OUR RECORDS INDICATE THAT THE ABOVE WELL (Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address

Company Representative Title \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Company Comments \_\_\_\_\_

## WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

## REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer *J. D. W. Hittler* Date *3/2/09* Time *1500*

## FOR OFFICE USE ONLY

Number 53	Date	Assessment \$250.00	Penalty	Termination
Type of Inspection WS				

COPY SENT TO LESSEE

BLM Remarks; continued

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IS SHUT-IN (SI) OR TEMPORARILY ABANDONED (TA) THE BUREAU OF LAND MANAGEMENT (BLM) AND MINERALS MANAGEMENT SERVICE (MMS) DEFINITION OF A SHUT-IN WELL IS A COMPLETION THAT IS PHYSICALLY AND MECHANICALLY CAPABLE OF PRODUCTION IN PAYING QUANTITIES OR CAPABLE OF SERVICE USE. THE DEFINITION OF A TEMPORARILY ABANDONED WELL IS A COMPLETION THAT IS NOT CAPABLE OF PRODUCTION IN PAYING QUANTITIES BUT WHICH MAY HAVE VALUE AS A SERVICE COMPLETION. ACCORDING TO OUR RECORDS THE WELL REFERENCED ABOVE HAS BEEN SHUT-IN FOR 6 MONTHS OR LONGER OR HAS BEEN TEMPORARILY ABANDONED WITHOUT AUTHORIZATION.

43 CFR 3162.3-4 (c) REQUIRES THAT WELLS INCAPABLE OF PRODUCTION IN PAYING QUANTITIES BE PROMPTLY PLUGGED AND ABANDONED AND REQUIRES APPROVAL FOR ANY WELL TEMPORARILY ABANDONED FOR MORE THAN 30 DAYS.

DO THE FOLLOWING

1. SUBMIT NOTICE OF INTENT TO PLUG AND ABANDON.

SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 4 COPIES) WITHIN 20 DAYS OF RECEIPT OF THIS NOTICE. DESCRIBE THE PROPOSED PLUGGING PROGRAM AND SUPPLY WELL BORE DIAGRAMS.

FOR MONITORING AND TRACKING PURPOSES, PLEASE SUBMIT APPROPRIATE PAPERWORK TO THIS OFFICE ATTENTION: DUNCAN WHITLOCK.

IF YOU HAVE ANY QUESTIONS, CONTACT JIM AMOS OR DUNCAN WHITLOCK AT (505) 234-5972.

☒ Certified Mail - Return  
Receipt Requested  
7005116000033022668☐ Hand Delivered Received  
byUNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## NOTICE OF INCIDENTS OF NONCOMPLIANCE

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Lease NIMNM30062
CA
Unit
PA

Bureau of Land Management Office				Operator			
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Telephone 575-234-5926				Attention			
Inspector WHITLOCK				Attn Addr			
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
LONG BOX	1	SENE 30	20S	24E	NMP	EDDY	NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
02/05/2009	08:00	43CFR3162.1(A)/43CFR3162.3-4(C)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
02/27/2009			43 CFR 3163.1()

## Remarks

A RECENT FIELD INSPECTION OF THE ABOVE REFERENCED WELL AND OUR RECORDS INDICATE THAT THE ABOVE WELL IS SHUT-IN (SI) OR TEMPORARILY ABANDONED (TA). THE BUREAU OF LAND MANAGEMENT (BLM) AND MINERALS MANAGEMENT SERVICE (MMS) DEFINITION OF A SHUT-IN WELL IS A COMPLETION THAT IS PHYSICALLY AND MECHANICALLY CAPABLE OF PRODUCTION IN PAYING QUANTITIES OR CAPABLE OF SERVICE USE. THE DEFINITION (Remarks continued on following page(s).)

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Company Comments \_\_\_\_\_

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Signature of Bureau of Land Management Authorized Officer /s/ JD Whitlock Jr Date 2/5/09 Time 0700

## FOR OFFICE USE ONLY

Number 53	Date	Assessment	Penalty	Termination
Type of Inspection WS				

COPY SENT TO LESSEE

OFFICIAL FILE COPY

BLM Remarks, continued

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